

## REMARKS

In the action of October 30, 2006, the examiner rejected claims 1-5 and 7-16 under 35 U.S.C. §102(e) as anticipated by Breuninger. Applicants' system is distinguished generally from Breuninger by its strict focus on the business relationship between the financial service provider and a plurality of financial intermediaries, each of which in turn serve a number of small individual investors. The system is hosted by the financial service provider only on behalf of financial intermediaries. Applicants' system isolates the client investor from the system except when they have access under the supervision and control of the financial intermediary, such as when they are in the presence of an investment professional associated with the financial intermediary. The system is designed for use by the financial intermediary institutions as a "product" approach to serving small investor clients. The system is not designed to serve small client investors directly and excludes the possibility of such direct contact with the small client investors.

This system has the advantage of providing an actual product approach to financial intermediaries which meets the actual, in force, National Association of Security Dealers requirements. With the claimed system, a financial institution can provide an investment product for its investor clients, who are able to complete an investment application and open an account, without the institution or the investment professional getting into the area of providing financial advice, with resulting complications, including the requirements of a different securities license.

Toward this end, the system includes a number of characteristics and limitations which are not specifically taught in Breuninger's system. First, note that the system is hosted only on behalf of financial intermediaries and that the financial service provider establishes and maintains individual websites in the system for each financial intermediary, with those websites being separate from the websites of the financial intermediary. Such an arrangement is not disclosed or taught in Breuninger.

Access to the system is limited significantly, specifically to a facility of the financial intermediary in the company of an investment professional. This system achieves key objectives of the financial intermediary, enabling and maintaining close supervision and control of the relationship with small client investors relative to investment transactions. The financial intermediary has a consistent and continuing role with the small client investor. This is to the

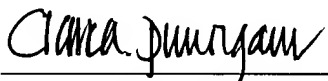
advantage of the financial intermediary. Such specific limitations are not taught by Breuninger.

Applicants' system also includes a particular sequence for completing and reporting an investment application and opening of an investment account with the financial service provider. The investment account is with the financial service provider and not by third parties. The system automatically provides an investment account application, in response to the information provided by the client investor and the financial intermediary, back to the financial intermediary. The financial intermediary thus maintains control over the investment transaction and continuing direct contact with the client investor. The application is signed by the client investor and is transmitted back to the financial service provider by the financial intermediary. The system then provides confirmation information to both the financial intermediary and the client investor of the opening of the account. The financial intermediary thus is able, throughout the entire system, to maintain information concerning, and control over, the investment transaction. It protects the professional relationship between the financial intermediary and their small client investors. The client investor is unable to use the system independent of the financial intermediary. This is not true for the Breuninger system, which does not maintain such control over the investment transaction for the financial intermediary, nor does it recognize the importance of such control for the financial intermediary. The claimed system thus allows the financial intermediary to professionally service small individual investors with complete confidence and maintain profitability. This benefits both the financial institution and the small investor. This is not true for the Breuninger system. Accordingly, amended claim 1 is patentable over Breuninger.

This is to request a two-month extension of time. Enclosed is the required fee of \$225. The Commissioner is authorized to charge any deficiency or credit any overpayment to Deposit Account 07-1900.

Respectfully submitted,

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